VETO MESSAGE ON HB 2420-S2

March 28, 2000

To the Honorable Speaker and Members,

The House of Representatives of the State of Washington Ladies and Gentlemen:

I am returning herewith, without my approval as to section 25, Engrossed Second Substitute House Bill No. 2420 entitled:

"AN ACT Relating to oil and gas pipeline safety;"

This bill authorizes the state to strengthen its pipeline safety programs and to assume responsibility for inspection of interstate hazardous liquid and natural gas pipelines. The federal Office of Pipeline Safety (OPS) has a policy that such inspection should not be delegated to states and, in fact, has recently revoked delegations to other states. In spite of that policy, I have convinced OPS that the state of Washington can do a better job of making certain that these pipelines are safe, and that inspection authority should be delegated to the state.

Our state's ability to implement this bill will be affected by the delegation proposal from OPS. OPS has expressed strong reservations about its delegation if the pipeline safety program is divided between two different agencies. Parts of this bill could be read to transfer inspection authority of both intrastate and interstate hazardous liquid pipelines from the Utilities and Transportation Commission (UTC) to the Department of Ecology (DOE), while leaving authority for natural gas pipelines with UTC. It is essential that we not jeopardize our opportunity to assume oversight responsibility for interstate pipelines by ignoring OPS's concerns.

It is my legal interpretation that the bill does not mandate such a transfer to DOE if OPS delegates inspection authority to UTC. In signing this bill, I anticipate that UTC will regulate all pipelines "intrastate and interstate, hazardous liquid and natural gas "in Washington as an agent of OPS. If problems appear in our implementation of the law, or in our relationship with OPS because of provisions in the bill, the prime sponsors have committed to amending it in the next legislative session.

In order to assume delegation of inspection authority, we will need to hire highly qualified inspectors and provide them with the necessary equipment. I have asked the Legislature to grant a one-time appropriation in the 2000 supplemental budget to allow us to begin work as soon as possible. However, for the longer term we expect to pay for this program with a fee charged to pipeline operators. I expect to work with legislative leadership to address this funding issue.

Section 25 of the bill would have exempted from inspection petroleum pipelines that are wholly owned by an individual and are located wholly on the individual's property. Because the general public may visit such private property or other property in close proximity to such pipelines, section 25 may have allowed unsuspecting citizens to enter sites where hazardous liquid pipelines may be inadequately operated or maintained.

We have learned all too painfully the dangers that can result from a pipeline failure, and cannot allow such a prospect by precluding all government oversight of any pipeline in Washington.

For these reasons, I have vetoed section 25 of Engrossed Second Substitute House Bill No. 2420.

With the exception of section 25, Engrossed Second Substitute House Bill No. 2420 is approved.

Respectfully submitted, Gary Locke Governor